

ESSB 5352 - H AMD TO H AMD (H-3031.2/09) **485**

By Representative Ericksen

NOT ADOPTED 4/10/2009

1 On page 39 of the amendment, after line 7, insert the following:

2 "(26)(a) It is the conclusion of the legislature that time is of
3 the essence, and that Washington state cannot wait for a disaster to
4 make it fully appreciate the urgency of the need to replace this
5 vulnerable structure. The state must take the necessary steps to
6 expedite the environmental review and design processes to replace the
7 Alaskan Way viaduct with a deep bore tunnel under First Avenue from
8 the vicinity of the sports stadiums in Seattle to Aurora Avenue north
9 of the Battery Street tunnel. The tunnel must include four general
10 purpose lanes in a stacked formation.

11 (b) The state route number 99 Alaskan Way viaduct replacement
12 project finance plan shall be structured as a public private
13 partnership as specified in this subsection and in (c) and (d) of this
14 subsection. State and private funds that constitute the finance plan
15 must be used solely to build a replacement tunnel, as described in
16 subsection (a) of this subsection, and to remove the existing state
17 route number 99 Alaskan Way viaduct. All costs associated with city
18 utility relocations for state work as described in this section must
19 be borne by the city of Seattle and provided in a manner that meets
20 project construction schedule requirements as determined by the
21 department. State funding is not authorized for any utility
22 relocation costs, or for central seawall or waterfront promenade
23 improvements.

24 (c)(i) The state's contribution toward the Alaskan Way viaduct
25 replacement project must not exceed two billion four hundred million
26 dollars. The state's contribution shall be financed, in part, by a
27 public private partnership as described in (c)(ii) of this subsection.

1 (ii) The secretary of transportation or the secretary's designee
2 shall, after consultation with King County and the city of Seattle,
3 solicit proposals and enter into an agreement with a private entity to
4 finance at least fifty percent of the state's contribution of two
5 billion four hundred million dollars through tolling, dedication of
6 future tax revenues generated by development in the area of the tunnel
7 and existing viaduct, tax incentives, tax increment financing, and
8 other financing tools for construction of the deep bore tunnel and
9 removal of the existing viaduct.

10 (A) The agreement must retain state ownership of the state route
11 number 99 Alaskan Way viaduct.

12 (B) The department shall negotiate the terms and compensation due
13 to the private entity under the agreement. The total amount of
14 compensation to be agreed upon must be comprised of a mix of funds
15 from tolling revenue and financing tools described in (c)(ii) of this
16 subsection. The department shall make every effort to maximize
17 compensation from tax incentives and other financing tools, and
18 minimize direct payments from toll revenue. Payments to private
19 entities must be completed within twenty-five years of the date the
20 project is complete.

21 (C) Any bonds issued to support the finance plan must be issued by
22 the private entity.

23 (iii) For the purpose of facilitating construction and to assist
24 the private entity in the development, construction, maintenance, and
25 operation of the deep bore tunnel, the agreement must, as required by
26 the private entity, include provisions for the department of
27 transportation to exercise its authority, including the following:
28 Leasing of facilities, rights-of-way, and airspace; exercising the
29 power of eminent domain; granting development rights and
30 opportunities; granting necessary easements and rights of access;
31 issuing permits and other authorizations; granting contractual and
32 real property rights; and negotiating acquisition of rights-of-way in
33 excess of appraised value and any other provision deemed necessary.

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1 (iv) Operation and maintenance services to be provided by the
2 private entity include, but are not limited to, roadway maintenance
3 and repair, drainage maintenance and repair, and tunnel maintenance.

4 (d) After entering into an agreement under subsection (b) of this
5 subsection, the department shall redirect at least one billion dollars
6 of the state's planned contribution to the Alaskan Way viaduct
7 replacement project in the transportation partnership account. At
8 least five hundred million dollars shall be programmed on projects to
9 develop the US 395/North Spokane Corridor. At least five hundred
10 million dollars shall be programmed on the Interstate 5/Columbia River
11 Crossing project."

EFFECT:

- 13
- Requires that the Alaskan Way Viaduct Replacement Project finance plan be structured to include a public private partnership to finance at least 50 percent of the state's contribution of 2.4 billion dollars, and directs the Secretary of Transportation to enter into such an agreement after consultation with the city of Seattle and King County.
 - Authorizes the public private partnership agreement to utilize various financing tools, including tolling, dedication of future tax revenues generated by development in the area of the tunnel, tax incentives, and tax increment financing.
 - Directs the Department to, after entering into the public private partnership, retain at least 1 billion dollars in the Transportation Partnership Account for use on the US 395/North Spokane Corridor and the I-5/Columbia River Crossing projects.
 - Directs the Department to negotiate the terms of, and compensation due to the private entity under, the agreement, and to make every effort to minimize direct payments from tolling.
 - Requires the private entity to provide operation and maintenance services for the tunnel.
 - Requires that any bonds issued to support the public private partnership must be issued by the private entity.

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